
Iowa Legislative Fiscal Bureau

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Des Moines, IA 50319
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Rebuild Iowa Infrastructure Fund

ISSUE

This **Issue Review** is intended to provide an update on the current status of the Rebuild Iowa Infrastructure Fund and projects receiving appropriations from the Fund, the most recent revenue projections for the Fund, and potential budgetary obligations that may need to be addressed over the next several years.

FY 1997 REVENUES AND EXPENDITURES

Revenues - Rebuild Iowa Infrastructure Fund revenues for FY 1997 totaled \$171.06 million which was \$12.21 million (7.7%) higher than the Revenue Estimating Conference (REC) estimated on April 5th. Gambling receipts which totaled \$69.57 million represented the largest gains at \$8.87 million (14.6%) more than estimated.

Interest revenues in FY 1997 totaled \$29.59 million which was \$3.19 million (12.1%) higher than the REC estimate. The increase was due to a higher than estimated rate of return on investments and a larger than anticipated monthly investment balance. The estimate was based on a 5.5% rate of return on an average monthly investment balance of \$480.30 million from the reserve funds and from the Rebuild Iowa Infrastructure Fund. The actual rate of return on investments in FY 1997 was 5.88% on an average monthly investment balance of \$503.06 million.

The Fund also received \$252,510 from reversions in FY 1997.

Expenditures - During FY 1997 State agencies and other organizations receiving appropriations from the Rebuild Iowa Infrastructure Fund spent a total of \$69.58 million. Of this, \$35.80 million (51.3%) was for ICN Part III funding and School Technology. **Attachment A** summarizes the status of FY 1996 and FY 1997 appropriations as of June 30, 1997.

FY 1998 - FY 2001 REVENUE ESTIMATES

Revenues - The Rebuild Iowa Infrastructure Fund is estimated to have \$135.26 million in total resources available for FY 1998. This includes a beginning balance of \$34.36 million, interest earnings of \$27.30 million, and gambling receipts totaling \$72.60 million. Interest earnings for FY 1998 are estimated to decrease \$2.29 million (7.7%) compared to the FY 1997 level. The FY 1998 interest revenues are based on a rate of 5.5% and an average monthly investment balance of \$497.20 million.

Interest earnings for FY 1999 are estimated to increase \$200,000 (0.7%) over the FY 1998 level. The FY 1999 interest revenues are also based on a rate of 5.5% and an average monthly investment balance of \$499.40 million.

The FY 1998 and FY 1999 gambling revenue estimates are based on the September 19th Revenue Estimating Conference estimates of \$72.60 million and \$77.40 million respectively. The same rate of growth from FY 1998 to FY 1999 was used to estimate the FY 2000 and FY 2001 estimates.

Appropriations - During the 1997 Legislative Session the General Assembly made appropriations from the Rebuild Iowa Infrastructure Fund for fiscal years 1998 through 2001. The total appropriations include: \$110.76 million in FY 1998, \$70.88 million in FY 1999, \$33.84 million in FY 2000, and \$19.92 million in FY 2001. Based on these levels of appropriations, the General Assembly will have approximately \$59.50 million remaining in the Fund and available for appropriation in FY 1999, \$77.90 million in FY 2000, and \$95.60 million in FY 2001.

Attachment B shows the current status of the Rebuild Iowa Infrastructure Fund as well as the funds available for appropriation in FY 1999 - FY 2001.

Attachment C provides an update on the status of all appropriations made from the Rebuild Iowa Infrastructure Fund since FY 1996.

VERTICAL INFRASTRUCTURE DEFINITION

During the 1996 Legislative Session the General Assembly created the definition of "Vertical Infrastructure" in Section 8.57(5)(c), Code of Iowa, for the purpose of identifying projects eligible for funding from the Rebuild Iowa Infrastructure Fund. The definition became effective for FY 1998. The definition states:

For the purposes of this subsection, "vertical infrastructure" includes only land acquisition and construction, major renovation and major repair of buildings, all appurtenant structures, utilities, site development, and recreational trails. "Vertical infrastructure" does not include routine, recurring maintenance or operational expenses or leasing of a building, appurtenant structure, or utility without a lease-purchase agreement. However, appropriations may be made for the fiscal years beginning July 1, 1997, and July 1, 1998, for the purpose of funding the completion of Part III of the Iowa communications network.

The General Assembly made 11 appropriations totaling \$18.03 million in FY 1998 notwithstanding the definition of vertical infrastructure. These appropriations are listed in the table below.

**FY 1998 Rebuild Iowa Infrastructure Fund Appropriations
Notwithstanding the Definition of Vertical Infrastructure**

	FY 1998 Appropriations
ICN Part III - Internet Connections	\$ 61,016
ITS - Technology Projects Management	800,000
DOC - ICN Connections	350,000
DED - Physical Infrastructure Program	6,100,000
DRF - IFAS Upgrade	1,875,000
Agriculture Drainage Wells	1,500,000
Workforce Dev. - Integrated Info. System	700,000
Loess Hills Conservation Authority	742,500
Community Colleges Technology	3,000,000
Housing Development	1,000,000
DPS - Radio Conversion	1,897,786
Total	<u>\$18,026,302</u>

POTENTIAL BUDGET OBLIGATIONS

There are several projects that could impact the Rebuild Iowa Infrastructure Fund that the General Assembly may need to address over the next several years. Many of these projects relate directly to the implementation of the Capitol Complex employee relocation plan (also known by General Services as Operation Bold Move) which includes the interior renovation of the State Capitol Building. Some of the costs will vary depending on the Judicial Department's decision to relocate from the Capitol Building to the Old Historical Building.

- **Employee Relocation Expenses:** The Department of General Services was appropriated \$1.30 million in FY 1998 for relocating State employees throughout the Capitol Complex. The Governor originally recommended \$2.60 million to be appropriated over two fiscal years. The General Assembly appropriated the first year of funding and is waiting for a refined estimate of the remaining costs. It is uncertain at this time when the relocation of employees will begin due to the pending relocation decision of the Judicial Department.
- **Demolition of Executive Hills and Capitol Annex:** According to the Department of General Services, the Executive Hills and Capitol Annex facilities need to be demolished because they pose health risks to State employees who occupy those facilities. The demolition is estimated to cost \$1.52 million. The demolition of these facilities and relocation of the employees occupying these facilities will need to be coordinated with the renovation of other Capitol Complex facilities.
- **Records Building:** Should the Judicial Department decide to move to the Old Historical Building, the State Library would need to be relocated to another facility. One option that has been discussed is to move the State Library to the Records Building located at Court and East 7th Street. Another facility would likely need to be leased to warehouse the records and materials currently in the Records Building. The cost to renovate the Records Building is not available at this time, however, the cost could likely be several million dollars.

- **Lucas Building Renovation:** Current estimates for renovation of the Lucas Building indicate that an additional \$9.80 million will be needed to complete the project. This is in addition to the \$5.60 million appropriated in FY 1997 and FY 1998.
- **Major Maintenance Needs of State Facilities:** The General Assembly has made annual appropriations for major maintenance needs of State facilities and institutions located throughout Iowa. The appropriations have ranged from \$4.00 million to \$7.00 million annually. These appropriations are largely used to fund facility maintenance projects that were deferred for many years prior to the creation of the Rebuild Iowa Infrastructure Fund which provided a dedicated source of funds for capital improvements.
- **Veterans Home Dining Room Expansion:** The Veterans Affairs Commission's dining room and food preparation expansion project is estimated to cost \$10.92 million. Approximately \$7.02 million (65.0%) will be funded with federal funds. The State match requirement for this project is \$3.90 million. In FY 1996 and FY 1997, the General Assembly appropriated a total of \$1.90 million to fund the design and partial construction cost of the addition. These funds are also used to offset the State's matching requirements. As a result, approximately \$2.00 million in additional funding will be required to complete the State match for securing the federal funds.
- **ICN Part III:** The Iowa Technology and Telecommunications Commission estimates \$1.20 million will be needed in addition to the FY 1999 appropriation of \$17.70 million to complete funding for Part III of the Iowa Communications Network (ICN).

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REBUILD IOWA INFRASTRUCTURE FUND
Status of FY 1996 and FY 1997 Appropriations

	Appropriations	Total Expenses		Reversion	Status
		June 30, 1997	Balance		
FY 1996 Projects					
DOM - Innovations Fund	\$ 1,000,000	\$ 1,000,000	\$ 0		Complete
ICN Part III	18,790,000	18,790,000	0		Complete
NEICC Agriculture Emergencies Bldg.	1,000,000	1,000,000	0		Complete
DPD - Fairfield Armory	250,000	11,549	238,451		
DPD - Camp Dodge Vehicle Bldg.	420,000	420,000	0		Complete
DPD - Armory Maintenance	382,000	382,000	0		Complete
DGS - Capitol Exterior Restoration	7,165,000	7,150,597	14,403		
DGS - Major Maintenance	4,000,000	4,000,000	0		Complete
DGS - Capitol Fire Safety	1,600,000	0	1,600,000		
DGS - Capitol Interior Renovation	2,100,000	1,459,701	640,299		
DGS - Capitol Complex Monument	200,000	14,755	185,245		
DGS - WWII Memorial	200,000	200,000	0		Complete
DED - Welcome Centers	600,000	600,000	0		Complete
DOC - ICN Connection Fort Madison	161,000	161,000	0		Complete
DOC - Mitchellville Visitation Area	100,000	0	100,000	100,000	
Braille and Sight Saving School	341,000	340,518	482	482	Complete
Iowa School for the Deaf	50,000	50,000	0		Complete
ISU - Environmental Safety	2,000,000	2,000,000	0		Complete
SUI - Environmental Safety	2,000,000	2,000,000	0		Complete
UNI Arts Center/Renovation	3,000,000	2,269,827	730,173		
DHS - XPERT System	1,076,000	0	1,076,000		
State Fair Board	1,542,023	1,542,023	0		Complete
Total FY 1996	47,977,023	43,391,970	4,585,053	100,482	
FY 1997 Projects					
ICN Part III	20,800,000	20,800,000	0		Complete
DPD - Armory Maintenance	567,000	567,000	0		Complete
DPD - Exterior Capitol Restoration	9,300,000	0	9,300,000		
DGS - Major Maintenance	6,500,000	1,107,279	5,392,721		
DGS - Capitol Interior Renovation	2,800,000	0	2,800,000		
DGS - Old Historical Building Renovation	5,400,000	451,921	4,948,079		
DGS - Lucas Building Renovation	3,100,000	495,859	2,604,141		
DGS - Tunnel Renovation (Lucas to Capitol)	100,000	0	100,000		
DGS - Terrace Hill Maintenance	150,000	139,943	10,057		
DGS - Staff	50,000	50,000	0		Complete
DNR - Restore the Outdoors Program	3,000,000	1,149,197	1,850,803		
DOC - ICN Connection Clarinda	150,000	150,000	0		Complete
Prison Construction Debt Service	3,179,500	3,059,617	119,883	119,883	Complete
UNI Capitals	6,500,000	0	6,500,000		
SUI Capitals	23,100,000	1,800,000	21,300,000		
ISU Capitals	21,400,000	4,391,000	17,009,000		
DHS - XPERT Operations	790,000	788,551	1,449	1,449	Complete
DHS - Training/Technology Operations	818,000	790,108	27,892	27,892	Complete
School Technology	15,000,000	15,000,000	0		Complete
DED - Physical Infrastructure Program	5,900,000	0	5,900,000		
Veterans Home - Dining Room Expansion	500,000	0	500,000		
Veterans Affairs - Records Automation	85,373	81,625	3,748		
County Fairs	495,000	495,000	0		Complete
DPS - IOWA System Upgrades	300,000	300,000	0		Complete
DPS - AFIS Maintenance	222,155	218,869	3,286	3,286	Complete
DCA - Museum/Discovery Center	500,000	500,000	0		Complete
DOT - Recreational Trails	1,000,000	1,000,000	0		Complete
State Fair Board	5,000,000	4,057,636	942,364		
Total FY 1997	136,707,028	57,393,605	79,313,423	152,510	
Total All Projects	\$ 184,684,051	\$ 100,785,575	\$ 83,898,476	\$ 252,992	

Rebuild Iowa Infrastructure Fund

	Actual FY 1996	Estimated FY 1997	Actual FY 1997	Estimated FY 1998	Estimated FY 1999	Estimated FY 2000	Estimated FY 2001
Resources							
Balance	\$ 0	\$ 71,659,499	\$ 71,659,499	\$ 34,357,777	\$ 24,495,725	\$ 0	\$ 0
Reserve Fund Interest	23,464,398	26,400,000	29,586,530	27,300,000	27,500,000	27,500,000	27,500,000
Gambling Receipts	46,171,642	60,700,000	69,566,265	72,600,000	77,400,000	82,200,000	87,000,000
Appropriation	50,000,000	0	0	0	0	0	0
Reversions	482	100,000	252,510	1,000,000	1,000,000	1,000,000	1,000,000
Total	\$ 119,636,522	\$ 158,859,499	\$ 171,064,805	\$ 135,257,777	\$ 130,395,725	\$ 110,700,000	\$ 115,500,000
Appropriations							
1. ICN Part III & Maintenance/Recurring Lease Costs	\$ 18,790,000	\$ 20,800,000	\$ 20,800,000	\$ 22,640,000	\$ 17,704,000	\$ 0	\$ 0
2. ICN Part III - Internet Connections	0	0	0	61,016	0	0	0
3. ITS - Technology Projects Management	0	0	0	800,000	1,000,000	0	0
4. DOC - ICN Connections	161,000	150,000	150,000	350,000	0	0	0
5. DPD - Armory Maintenance	382,000	567,000	567,000	400,000	0	0	0
6. DPD - Camp Dodge Vehicle Building	420,000	0	0	0	0	0	0
7. DPD - Fairfield Armory Addition	250,000	0	0	0	0	0	0
8. DOM - Innovations Fund	1,000,000	0	0	0	0	0	0
9. DGS - Exterior Capitol Restoration	7,165,000	9,300,000	9,300,000	4,400,000	4,400,000	0	0
10. DGS - Major Maintenance	4,000,000	6,500,000	6,500,000	7,000,000	0	0	0
11. DGS - Capitol Interior Renovation	2,100,000	2,800,000	2,800,000	3,140,000	4,200,000	0	0
12. DGS - Capitol Fire Safety	1,600,000	0	0	0	0	0	0
13. DGS - Old Historical Building Renovation	0	5,400,000	5,400,000	4,100,000	0	0	0
14. DGS - Lucas Building Renovation	0	3,100,000	3,100,000	2,500,000	0	0	0
15. DGS - Tunnel Renovation (Lucas to Capitol)	0	100,000	100,000	400,000	0	0	0
16. DGS - Terrace Hill Maintenance	0	150,000	150,000	100,000	0	0	0
17. DGS - Employee Relocation Expenses	0	0	0	1,300,000	0	0	0
18. DGS - Capitol Gateway East Project	0	0	0	50,000	0	0	0
19. DGS - Capitol Complex Parking Lots	0	0	0	730,750	0	0	0
20. DGS - Eldora Training School	0	0	0	2,600,000	2,700,000	4,000,000	0
21. DGS - Toledo Bed Expansion	0	0	0	350,000	0	0	0
22. DGS - Infrastructure Survey	0	0	0	500,000	500,000	0	0
23. DGS - Capitol Complex Monuments	200,000	0	0	0	0	0	0
24. DGS - World War II Memorial	200,000	0	0	0	0	0	0
25. DGS - Staff	0	50,000	50,000	0	0	0	0
26. Judicial Department Relocation Planning	0	0	0	150,000	0	0	0
27. DNR - Restore the Outdoors Program	0	3,000,000	3,000,000	4,000,000 *	4,000,000 *	4,000,000 *	4,000,000 *
28. DOC - Mitchellville Visitation Area	100,000	0	0	0	0	0	0
29. Prison Construction Debt Service	0	3,179,500	3,179,500	0	0	0	0
30. DHS - XPERT System	1,076,000	0	0	0	0	0	0
31. DHS - XPERT Operations	0	790,000	790,000	0	0	0	0
32. DHS - Training/Technology	0	818,000	818,000	0	0	0	0

Rebuild Iowa Infrastructure Fund

	Actual FY 1996	Estimated FY 1997	Actual FY 1997	Estimated FY 1998	Estimated FY 1999	Estimated FY 2000	Estimated FY 2001
33. NEICC Agriculture Emergencies Building	1,000,000	0	0	0	0	0	0
34. School Technology	0	15,000,000	15,000,000	0	0	0	0
35. DED - Physical Infrastructure Assistance Program	0	5,900,000	5,900,000	6,100,000	0	0	0
36. DED - China/Des Moines Trade Center	0	0	0	150,000	0	0	0
37. DED - Welcome Centers	600,000	0	0	500,000	200,000	0	0
38. DRF - IFAS Upgrade	0	0	0	1,875,000	0	0	0
39. Agriculture Drainage Wells	0	0	0	1,500,000	1,500,000	0	0
40. Workforce Dev. - Integrated Info. System	0	0	0	700,000	300,000	0	0
41. Loess Hills Conservation Authority	0	0	0	742,500	0	0	0
42. Community Colleges Technology	0	0	0	3,000,000	3,000,000	3,000,000	3,000,000
43. Housing Development	0	0	0	1,000,000	1,000,000	1,000,000	1,000,000
44. Veterans Home - Dining Room Expansion	0	500,000	500,000	1,400,000	0	0	0
45. Veterans Affairs - Records Automation	0	85,373	85,373	0	0	0	0
46. DPS - Radio Conversion	0	0	0	1,897,786	2,074,663	2,339,200	0
47. DPS - IOWA System Upgrades	0	300,000	300,000	0	0	0	0
48. DPS - AFIS Maintenance	0	222,155	222,155	0	0	0	0
49. DCA - New Historical Building	0	0	0	500,000	0	0	0
50. DCA - Museum/Discovery Center	0	500,000	500,000	500,000	0	0	0
51. Burlington Capitol Heritage Study	0	0	0	25,000	0	0	0
52. DOT - Recreational Trails	0	1,000,000	1,000,000	2,000,000	2,000,000	0	0
53. County Fairs	0	495,000	495,000	0	0	0	0
54. State Fair Authority	1,542,023	5,000,000	5,000,000	5,460,000	0	0	0
55. Regents Capitals							
1995 and 1996 Legislative Session Approp.	7,391,000	51,000,000	51,000,000	8,340,000	6,800,000	0	0
1997 Legislative Session Appropriations	0	0	0	19,500,000	19,500,000	19,500,000	11,915,000
Total	<u>\$ 47,977,023</u>	<u>\$ 136,707,028</u>	<u>\$ 136,707,028</u>	<u>\$ 110,762,052</u>	<u>\$ 70,878,663</u>	<u>\$ 33,839,200</u>	<u>\$ 19,915,000</u>
Available for Appropriation					\$ 59,517,062	\$ 76,860,800	\$ 95,585,000
Ending Balance	<u>\$ 71,659,499</u>	<u>\$ 22,152,471</u>	<u>\$ 34,357,777</u>	<u>\$ 24,495,725</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

* The Governor vetoed language directing \$1,000,000 of the \$4,000,000 appropriation be spent on local park infrastructure.

Projects Funded from the Rebuild Iowa Infrastructure Fund

1. **ICN Part III & Maintenance/Recurring Lease Costs:** The General Assembly appropriated a total of \$79,934,000 from FY 1996 to FY 1999 to connect Part III authorized users to the ICN and for funding the maintenance and recurring lease costs of the Network. The Iowa Technology and Telecommunications Commission estimates \$1,200,000 will be needed in addition to the FY 1999 appropriation of \$17,704,000 to complete funding for Part III.
2. **ICN Part III - Internet Connections:** The General Assembly appropriated \$61,016 for FY 1998 for internet connections to local schools currently using analog circuits provided by local providers.
3. **ITS - Technology Project Management:** The Department of General Services received an appropriation of \$800,000 in FY 1998 and \$1,000,000 in FY 1999 for implementing reengineering projects in consultation with the Department of Management.
4. **DOC - ICN Connections:** The Department of Corrections received appropriations of \$161,000 in FY 1996 and \$150,000 in FY 1997 to connect the Fort Madison and Clarinda Correctional Facilities to the ICN. These projects have been completed and were matched with \$300,000 in federal funds. The Department also received \$350,000 in FY 1998 to connect the Anamosa and Rockwell City Correctional facilities to the ICN.
5. **DPD - Armory Maintenance:** The Department of Public Defense received appropriations of \$382,000 in FY 1996 and \$567,000 in FY 1997 for the maintenance and repair of National Guard armories. The funds have been used to repair roofs, replace water mains and HVAC systems, renovate restrooms, kitchens, and classrooms. The funds were also used to secure \$601,892 in federal funds for the improvements. In addition, \$167,000 of the FY 1997 appropriation was used for the Department of Public Defense operations.
6. **DPD - Camp Dodge Vehicle Building:** The Department of Public Defense received an appropriation of \$420,000 in FY 1996 for construction of a vehicle storage building at the Camp Dodge Maintenance Armory. The construction has been completed and is part of the Maintenance Armory which was constructed with \$4,943,334 in federal funds.
7. **DPD - Fairfield Armory Addition:** The Department of Public Defense received two appropriations totaling \$500,000 to construct a 12,403 square foot addition to the National Guard Armory in Fairfield and to renovate 3,727 square feet of the existing structure. The total funding consisted of a \$250,000 appropriation from the General Fund in FY 1995 and a \$250,000 appropriation from the Rebuild Iowa Infrastructure Fund in FY 1996. The funds were to be used to match \$1,385,000 in federal funds which have not yet become available. The availability of the federal money is uncertain at this time. As of June 30, 1997, the Department has spent \$17,584 (\$11,549 from the Rebuild Iowa Infrastructure Fund and \$6,035 from the General Fund) in State funds and \$49,503 in federal funds on design of the project. The Department of Public Defense has until June 30, 1998, to obligate the remaining \$238,451 in Rebuild Iowa Infrastructure Funds. The unobligated funds will be subject to reversion after that date.
8. **DOM - Innovations Fund:** The Department of Management received an appropriation of \$1,000,000 in FY 1996 for the Innovations Fund Program which is intended to provide innovation and technological advancement in State government. Projects funded through this Program must demonstrate a cost savings to the State. The Innovations Fund has been set up as a revolving fund and State agencies are required to reimburse the Fund

from savings realized. As an incentive, agencies are eligible to retain a portion of the cost savings. As of September 30, 1997, the Innovations Fund Committee has awarded a total of \$1,150,000 in loans. The Department of Management estimates a total savings of \$8,632,000 over the next five years. Of the savings, 50.0% is retained by the participating agency and 50.0% is transferred to the Innovations Fund to continue the Program.

9. **DGS - Exterior Capitol Restoration:** The General Assembly appropriated a total of \$25,255,000 from FY 1996 to FY 1999 for exterior restoration of the State Capitol Building. This includes \$7,165,000 in FY 1996, \$9,300,000 in FY 1997, \$4,400,000 in FY 1998, and \$4,400,000 in FY 1999. As of June 30, 1997, the Department has expended a total of \$7,150,597 of the FY 1996 appropriation. The FY 1996 appropriation is being used to complete restoration of the north face and north pavilions of the Capitol Building. Completion is slated for the fall of 1997. The FY 1997 appropriation of \$9,300,000 will fund the restoration of the south face and the two south pavilions. Construction will begin in the Spring of 1998 and completed in the fall of FY 1999. The FY 1998 and FY 1999 appropriations will be used complete the restoration of the central dome. Restoration work on the central dome is expected to begin in the spring of 1998 and completed in the fall of 2000.
10. **DGS - Major Maintenance:** For FY 1996 - FY 1998, the General Assembly appropriated a total of \$17,500,000 for major maintenance improvements to State facilities and institutions. This includes \$4,000,000 in FY 1996, \$6,500,000, and \$7,000,000 in FY 1998. As of June 30, 1997, the Department had expended all of the FY 1996 appropriation and \$1,107,279 of the FY 1997 appropriation.

The Department of General Services allocates the funds to numerous State agencies for improvements to facilities. The following table shows the maintenance appropriation allocations.

<u>FY 1996 Allocations</u>	
Department of Corrections	\$ 2,027,250
Department of Human Services	650,250
Department of General Services	1,178,500
Department of Cultural Affairs	60,000
Law Enforcement Academy	84,000
Total	<u>\$ 4,000,000</u>

<u>FY 1997 Allocations</u>	
Department of Corrections	\$ 2,215,000
Department of Human Services	1,500,000
Department of General Services	1,915,000
Department of Cultural Affairs	292,000
Veterans Home	200,000
Workforce Development	300,000
Law Enforcement Academy	25,000
Vocational Rehabilitation	53,000
Total	<u>\$ 6,500,000</u>

<u>FY 1998 Allocations</u>	
Department of Corrections	\$ 2,570,000
Department of Human Services	1,900,000
Department of General Services	2,230,000
Department for the Blind	20,000
Veterans Home	170,000
Law Enforcement Academy	55,000
Vocational Rehabilitation	55,000
Total	<u>\$ 7,000,000</u>

11. **DGS - Capitol Interior Renovation:** For FY 1996 - FY 1999, the General Assembly appropriated a total of \$12,240,000 for interior restoration of the State Capitol Building. This includes \$2,100,000 in FY 1996, \$2,800,000 in FY 1997, \$3,140,000 in FY 1998, and \$4,200,000 in FY 1999. As of June 30, 1997, the Department had expended a total of \$1,459,701 of the FY 1996 appropriation. Renovation and restoration work began in May 1997 in the southwest quadrant of the Capitol Building and is expected to be completed in the fall of 1998. The Department currently anticipates beginning work on the northwest quadrant in the winter of 1998 and in the east half of the Capitol Building in the winter of 1999. Current plans are to have the northwest quadrant completed in the fall of 1999 and the east half of the building in the fall of 2001.
12. **DGS - Capitol Fire Safety:** The General Assembly appropriated \$1,600,000 in FY 1996 to install a sprinkler system in the State Capitol Building. As of June 30, 1997, none of the funds have been expended. However, the Department of General Services has encumbered the entire amount. Work began in June of 1997. Completion of the project will depend on the Judicial Department's decision to relocate offices out of the State Capitol Building.
13. **DGS - Old Historical Building Renovation:** The General Assembly appropriated a total of \$9,500,000 for renovation of the Old Historical Building. This includes \$5,400,000 in FY 1997 and \$4,100,000 in FY 1998. The Department has spent \$451,921 on the renovation through June 30, 1997. The renovation has been delayed pending a decision of the Judicial Department to relocate from the Capitol Building to the Old Historical Building.
14. **DGS - Lucas Building Renovation:** The General Assembly appropriated a total of \$5,600,000 for renovation of the Lucas Building. This includes \$3,100,000 in FY 1997 and \$2,500,000 in FY 1998. The Department has spent \$459,859 on the renovation through June 30, 1997. Construction work on the exterior of the building was begun in August and is expected to be completed in the summer of 1998. This includes installing a new roof, tuckpointing and cleaning stone, and installation of handicapped entrances. The Department will begin asbestos abatement in January 1998 on a floor by floor basis. Abatement from each floor is expected to take approximately three months at which time renovation of the floor will follow. The Department has identified additional costs of approximately \$9,800,000 to complete the Lucas Building renovation for which no funds have been appropriated.
15. **DGS - Tunnel Renovation:** The General Assembly appropriated a total of \$500,000 for the renovation of the tunnel that connects the Lucas Building with the State Capitol Building. This includes appropriations of \$100,000 in FY 1997 and \$400,000 in FY 1998. As of June 30, 1997, none of the funds have been expended. The Department of General Services has temporarily placed this project on hold pending the development of other plans for Capitol Complex improvements.
16. **DGS - Terrace Hill Maintenance:** The General Assembly appropriated a total of \$250,000 for improvements at Terrace Hill. This includes appropriations of \$150,000 in FY 1997 and \$100,000 in FY 1998. These funds are being matched with private funds on a dollar for dollar basis. As of June 30, 1997, the Department of General Services has expended \$139,943.
17. **DGS - Employee Relocation Expenses:** The Department of General Services received an appropriation of \$1,300,000 for FY 1998 for costs associated with the relocation of offices on the Capitol Complex.

18. **DGS - Capitol Gateway East Project:** The Department of General Services received an appropriation of \$50,000 for FY 1998 for a study to assess the potential development of the east side of Des Moines which incorporates the view of the State Capitol Building. The City of Des Moines and Des Moines Development Corporation will contribute \$100,000 for the study.
19. **DGS - Capitol Complex Parking Lots:** The Department of General Services received an appropriation of \$730,750 in FY 1998 for improvements to four parking lots located on the Capitol Complex. The appropriations include \$450,000 for Lot 4, \$105,000 for Lot 5, \$100,750 for Lot 13, and \$75,000 for Lot 15. The funds will be used for grading, new asphalt, installation of storm drainage, and new lighting. The Department received one bid for Lot 5 and one bid for Lot 13 in October which significantly exceeded the amount appropriated. These projects will likely be delayed until the spring of 1998.
20. **DGS - Eldora Training School:** The General Assembly appropriated a total of \$9,300,000 for construction and renovation of facilities at the Eldora State Training School. The appropriations include \$2,600,000 in FY 1998, \$2,700,000 in FY 1999, and \$4,000,000 in FY 2000. The improvements will include the construction of a 24-bed living unit, a new classroom building, and a gymnasium. Construction of the 24-bed living unit is estimated to be completed in March 1999. The Department of Human Services estimates an increase in staffing and operational costs of \$719,000 annually.
21. **DGS - Toledo Bed Expansion:** The General Assembly appropriated \$350,000 in FY 1998 for the renovation of a facility at the Toledo Juvenile Home for the addition of 10 beds. Construction is estimated to be complete in June 1998. The Department of Human Services estimates an increase in staffing and operational costs of \$512,000 annually.
22. **DGS - Infrastructure Survey:** The General Assembly appropriated a total of \$1,000,000 for the Department of General Services to conduct a study of the maintenance needs of State facilities and an assessment of the cost to make needed repairs. The appropriations include \$500,000 in FY 1998 and \$500,000 in FY 1999.
23. **DGS - Capitol Complex Monuments:** The General Assembly appropriated \$200,000 in FY 1996 for improvements to the Civil War and Allison monuments located on the Capitol Complex. Of the appropriated funds \$150,000 was allocated to the Civil War Monument and \$50,000 to the Allison Monument. As of June 30, 1997, the Department has expended \$14,755 for design of the Civil War Monument. A contract for construction work of the Civil War Monument will be awarded in the Fall of 1997. The Department is beginning architectural and engineering work on the Allison Monument.
24. **DGS - World War II Memorial:** The General Assembly appropriated \$200,000 in FY 1996 for the construction of the World War II Memorial. Construction of the Memorial has been completed. The total cost of the Memorial was \$781,500. In addition to the Rebuild Iowa Infrastructure Fund appropriation, the 1997 General Assembly appropriated \$50,000 from lottery revenues in SF 542 (Supplemental Appropriations Act) and the World War II Monument Committee raised \$531,500 in matching funds for the project.
25. **DGS - Staff:** The Department of General Services received an appropriation of \$50,000 in FY 1997 for 1.0 FTE position for the Property Management Division of the Department of General Services for oversight and monitoring of infrastructure projects. This position was funded from the General Fund in FY 1998.

26. **Judicial Department Relocation Planning:** The General Assembly appropriated \$150,000 in FY 1998 for a study to determine the feasibility of moving the Judicial Department out of the State Capitol Building. The study is expected to be completed in December 1997.
27. **DNR - Restore the Outdoors Program:** The Department of Natural Resources (DNR) received an appropriation of \$3,000,000 in FY 1997 for improvements to State park facilities built by the Civilian Conservation Corps (CCC) or the Work Progress Administration (WPA). As of June 30, 1997, the Department had obligated \$2,943,937 for 16 projects located in 11 State parks. The Department originally programmed 41 projects to be funded with the \$3,000,000 appropriation, however, the contracted cost on several funded projects significantly exceeded the original estimates. The projects not funded in FY 1997 will be moved to the DNR's FY 1998 program. In addition to FY 1997, the DNR has been appropriated a total of \$12,000,000 over the next four years for improvements to State park facilities.
28. **DOC - Mitchellville Visitation Area:** The Department of Corrections received a \$100,000 appropriation in FY 1996 for remodeling the visitation area at the Mitchellville Correctional Facility. The appropriation was not sufficient to complete the remodeling and the project never went forward. The funds reverted to the Rebuild Iowa Infrastructure Fund in August 1997.
29. **DOC - Prison Construction Debt Service:** The General Assembly appropriated \$3,179,500 for the FY 1997 debt service payments on the lease purchase and certificate of participation agreements for construction and improvements of correctional facilities. The appropriation exceeded the amount needed for debt service payments by \$119,883. These funds reverted to the Rebuild Iowa Infrastructure Fund in September 1997.
30. **DHS - XPERT System:** The General Assembly appropriated \$1,076,000 in FY 1996 for costs associated with the implementation of the Department of Human Services' (DHS) XPERT computer system. The funds are to be used to fund overtime of DHS staff working on the development of the XPERT System. As of June 30, 1997, none of the funds had been expended. The DHS has until June 30, 1998, to obligate funds at which time the unobligated funds will be subject to reversion.
31. **DHS - XPERT Operations:** The DHS received a FY 1997 appropriation of \$790,000 to support 17.0 FTE positions in the DHS general administration budget for operational costs associated with the XPERT system. The Department expended all but \$1,449 which reverted to the Rebuild Iowa Infrastructure Fund in September 1997. In FY 1998 these costs were moved to the General Fund.
32. **DHS Training/Technology:** The DHS received a FY 1997 appropriation of \$818,000 for computer training and software upgrades for DHS field staff. The appropriation was used to support 5.0 FTE positions in the DHS general administration budget for implementing the training functions. The Department expended all but \$27,892 which reverted to the Rebuild Iowa Infrastructure Fund. In FY 1998 these costs were moved to the General Fund.
33. **NEICC Agriculture Emergencies Building:** The General Assembly appropriated \$1,000,000 in FY 1996 for the construction of a building on the Northeast Iowa Community College campus to house the National Education Center for Agricultural Safety. The facility will serve as an instructional center clearinghouse for farm, ranch, and rural safety and health education information. The total cost of the project is estimated at \$1,033,383. The College received \$117,825 in cash donations, \$291,000 from a federal grant, and \$613,281 in non-cash and in-kind contributions. The

appropriation was contingent upon the successful receipt of federal or private matching funds, however, the match requirement did not specify a dollar amount. Construction of the facility is expected to be completed by October 25, 1997.

34. **School Technology:** The General Assembly appropriated \$15,000,000 from the Rebuild Iowa Infrastructure Fund in FY 1997 for the School Improvement Technology Program created in SF 2063 (School Improvement Technology Program Act). The General Assembly also appropriated \$15,000,000 from the General fund for a total of \$30,000,000 for the Program in FY 1997. The funds are part of the \$150,000,000 five-year School Technology Program designed to purchase new technology for public schools. With the exception of the \$15,000,000 Rebuild Iowa Infrastructure Fund appropriation, the School Improvement Technology Program is funded from the General Fund.
35. **DED - Physical Infrastructure Assistance Program:** In FY 1997, the General Assembly created the Physical Infrastructure Assistance Program to provide financial assistance for business or community infrastructure development or redevelopment projects. Projects eligible for funding through this program must create necessary infrastructure for economic success throughout Iowa; provide for the creation of quality, high wage jobs; and involve substantial capital investment. The General Assembly appropriated \$5,900,000 to the Physical Infrastructure Assistance Fund in FY 1997 and an additional \$6,100,000 in FY 1998.

The Department of Economic Development (DED) has awarded \$4,130,000 in no-interest and forgivable loans for five projects that have pledged the creation of 775 jobs. In addition, the DED has awarded a total of \$1,695,000 for environmental indemnification relating to three economic development projects located in Pottawattamie County, and the cities of Oelwein and Dubuque. As of June 30, 1997, none of the funds had been expended from the Rebuild Iowa Infrastructure Fund.

36. **DED - China/Des Moines Trade Center:** The General Assembly appropriated \$150,000 in FY 1998 for construction of a China/Des Moines Trade Cultural Center. The Cultural center is estimated to cost \$5,000,000. Private funds will be raised to fund the balance of the project.
37. **DED - Welcome Centers:** The DED received appropriations totaling \$600,000 in FY 1996 for the construction of three welcome centers. Appropriations include:
- \$250,000 for Northwood (Top of Iowa) Welcome Center - This project is a pilot project involving the Department of Transportation and the Top of Iowa Welcome Center designed to develop a private rest area and an Iowa welcome center. Total cost of the project is estimated at \$2,500,000. Funding for the project includes \$250,000 from the Rebuild Iowa Infrastructure Fund, \$1,800,000 from the Primary Road Fund, \$100,000 from the General Fund, and \$350,000 in local funds. Construction is expected to be completed in May 1998.
 - \$275,000 for Western Historic Trails Welcome Center - This Welcome Center is part of a larger development that cost \$14,700,000 in Council Bluffs. The development was funded as follows: \$275,000 from the Rebuild Iowa Infrastructure Fund, \$8,400,000 in federal funds, \$3,925,000 in private contributions, and \$2,100,000 from in-kind contributions. The Welcome Center was completed in October 1997.
 - \$75,000 for the Madison County Visitor/Information Center - This project consisted of remodeling the Madison County Chamber of Commerce Building in

Winterset into a visitor/information center. Madison County contributed \$6,450 for the project which totaled \$81,450. Work was completed April 30, 1996.

The General Assembly also appropriated \$500,000 in FY 1998 for construction of a welcome center at Living History Farms and \$200,000 in FY 1999 for a welcome center in Okoboji.

38. **DRF - IFAS Upgrade:** The Department of Revenue and Finance received an appropriation of \$1,875,000 in FY 1998 to replace the existing accounting software with new software that provides expanded capabilities and is "Year 2000" compliant.
39. **Agricultural Drainage Wells:** The General Assembly appropriated \$1,500,000 in FY 1998 and \$1,500,000 in FY 1999 to the Alternative Drainage System Assistance Fund to fund the requirements of the Alternative Drainage System Assistance Program created in SF 473 (Agricultural Drainage Wells Act).
40. **Workforce Development - Integrated Information System:** The Department of Workforce Development received an appropriation of \$700,000 in FY 1998 and \$300,000 in FY 1999 for an integrated information system to assist the Department in compliance with federal and State requirements to consolidate and streamline Workforce Development Programs.
41. **Loess Hills Conservation Authority:** The General Assembly appropriated \$742,500 in FY 1998 to the Loess Hills Development and Conservation Fund which is used to stabilize stream beds for the purpose of protecting roads, bridges, and utility infrastructure in the Loess Hills region of western Iowa.
42. **Community Colleges Technology:** The 1997 General Assembly created the Vocational-Technical Technology Improvement Program in HF 733 (Infrastructure and Capitals Act) and appropriated \$3,000,000 per year for four years beginning in FY 1998 for the Program. The funds are to be used by community colleges for vertical infrastructure expenses related to the acquisition or installation of technology. The funds will be distributed to community colleges on the same basis that State aid is currently distributed.
43. **Housing Development:** The 1997 General Assembly passed HF 732 (Housing Development Act) which created the Local Housing Assistance Program within the Department of Economic Development. The Program is intended to provide financial and technical assistance to local housing organizations.
44. **Veterans Home - Dining Room Expansion:** The Commission on Veterans Affairs received an appropriation of \$500,000 in FY 1997 and \$1,400,000 in FY 1998 for design and construction costs associated with the expansion of the Veterans Home food preparation and dining room. The project will also require an appropriation of approximately \$2,000,000 in FY 1999 or FY 2000 to complete the State funding to match \$7,020,000 in federal funds. The Commission will issue a request for proposals (RFP) for the architecture and engineering contract in the fall of FY 1998 and an RFP for construction in the winter of FY 1999. The construction schedule is contingent upon the availability of federal funds.
45. **Veterans Affairs - Records Automation:** The Commission on Veterans Affairs received an appropriation of \$85,373 for the purchase of hardware and software necessary to automate the records of the Commission on Veterans Affairs. The Commission has expended \$81,625 for the purchase and installation of the equipment. The Commission was appropriated \$229,317 from Lottery Funds in SF 542 (FY 1997 Supplemental

Appropriations Act) for the contract labor costs associated with converting the veterans records to electronic format.

46. **DPS - Radio Conversion:** The Department of Public Safety received appropriations totaling \$6,311,649 to convert the Department's radio system from analog to digital technology. The appropriations include \$1,897,786 in FY 1998, \$2,074,663 in FY 1999, and \$2,339,200 in FY 2000.
47. **DPS - IOWA System Upgrades:** The Department of Public Safety received an appropriation of \$300,000 in FY 1997 to upgrade the Iowa On-line Warrants and Articles (IOWA) Criminal Justice Information System and to establish data transmission service to emergency management offices in each county from the State Emergency Operations Center at Camp Dodge. These funds were matched with \$500,000 in federal funds from the Federal Emergency Management Agency (FEMA).
48. **DPS - AFIS Maintenance:** The Department received an appropriation of \$222,155 in FY 1997 for the annual maintenance cost of the Automated Fingerprint Information System (AFIS). In prior years, these costs were funded from the General Fund and motor vehicle use tax receipts. The Department expended \$218,723 and will revert \$3,432 to the Rebuild Iowa Infrastructure Fund.
49. **DCA - New Historical Building:** The General Assembly appropriated \$500,000 in FY 1998 for improvements to approximately 10,000 square feet of undeveloped exhibit space in the New Historical Building.
50. **DCA - Museum/Discovery Center:** The General Assembly appropriated \$500,000 in FY 1997 and an additional \$500,000 in FY 1998 for construction of a Mississippi River Museum/Discovery Center in Dubuque. As a condition for the appropriation, the project was to also be funded with federal or private matching funds. No amount was specified in the legislation for the required matching funds. The Dubuque County Historical Society received pledges totaling approximately \$3,000,000. The Society estimates the total cost of the project at \$19,700,000. As of June 30, 1997, the Society expended the \$500,000 appropriation for architectural, engineering and design costs; construction and restoration of the William M. Black historical riverboat; and for fund-raising and project development cost.
51. **Burlington Capitol Heritage Study:** The General Assembly appropriated \$25,000 in FY 1998 for the City of Burlington to conduct a feasibility study on the construction of a replica of the first territorial Capitol of Iowa.
52. **DOT - Recreational Trails:** In FY 1997, the General Assembly began funding the State Recreational Trails Program from the Rebuild Iowa Infrastructure Fund. In prior years the Program was funded from the Road Use Tax Fund. The Department of Transportation received appropriations of \$1,000,000 in FY 1997 and \$2,000,000 in FY 1998 for the Trails Program. The Recreational Trails Program is a grant program that considers grant applications in two cycles throughout the fiscal year. Funds are generally granted on a 75.0% State and 25.0% local match basis. During FY 1997, the DOT received 25 applications for projects totaling \$4,274,000 which included a request for \$3,505,000 in State funds. The DOT funded four projects totaling \$1,621,000 which includes \$1,053,000 in State recreational trails funds. The Department used \$53,000 in other State sources in addition to the Rebuild Iowa Infrastructure Fund appropriation.
53. **County Fairs:** The General Assembly appropriated \$495,000 in FY 1997 to the Office of the State Treasurer for distribution to county fairs for infrastructure improvements at county fairgrounds. Approximately \$5,000 was allocated to each county.

54. **State Fair Board:** The General Assembly appropriated at total of \$12,002,023 from the Rebuild Iowa Infrastructure Fund for FY 1996 - FY 1998 for improvements to six facilities at the Iowa State Fair Grounds. The appropriations include: \$1,542,023 in FY 1996, \$5,000,000 in FY 1997, and \$5,460,000 in FY 1998. The State Fair is required to allocate \$1,060,000 of the FY 1998 appropriation to county fairs. As of June 30, 1997, the State Fair has expended a total of \$5,599,659 from the Rebuild Iowa Infrastructure Fund appropriations.

In addition to the State funds, the State Fair has budgeted \$5,594,439 (\$4,344,439 in private funds and \$1,250,000 in federal funds) from other funding sources for improvements to the six facilities.

The following table lists the projects implemented in FY 1996 and FY 1997. The total cost for improvements is estimated at \$12,136,462. As of June 30, 1997, the State Fair has expended a total of \$9,008,015. The State Fair does not allocate specific dollar amounts from the Rebuild Iowa Infrastructure Fund appropriations to each project. All expenses are paid from the Blue Ribbon Foundation Fund. All private donations and appropriations for State Fair capital improvements are deposited into the Blue Ribbon Foundation Fund from which expenses are paid.

**IOWA STATE FAIR BOARD
FY 1996 and FY 1997 Capital Projects**

<u>RIIF Project</u>	<u>Total Cost</u>	<u>Expended as of June 30, 1997</u>
1. Grandstand Renovation	\$ 8,541,386	\$ 5,519,020
2. Administration Building	1,810,588	1,704,507
3. Ye-Old Mill Improvements	767,486	767,486
4. Pella Plaza Improvements	426,550	426,550
5. Bill Riley Stage Improvements	355,000	355,000
6. Pioneer Hall	235,452	235,452
TOTAL	<u>\$ 12,136,462</u>	<u>\$ 9,008,015</u>

55. **Regents Capitals:** The General Assembly appropriated at total of \$143,946,000 from the Rebuild Iowa Infrastructure Fund for FY 1996 - FY 2001 for construction and renovation projects at the Regents' institutions. The appropriations include: \$7,391,000 in FY 1996, \$51,000,000 in FY 1997, \$27,840,000 in FY 1998, \$26,300,000 in FY 1999, \$19,500,000 in FY 2000, and \$11,915,000 in FY 2001. The Regent's institutions have expended a total of \$12,851,345 from the Rebuild Iowa Infrastructure Fund appropriations through June 30, 1997. The following table shows which projects have received allocations, the additional funding sources being used for the projects, and the total expenditures from all funding sources.

**Regent's Institution Projects Receiving Appropriations from the
Rebuild Iowa Infrastructure Fund**

	Rebuild Iowa Infrastructure Fund Appropriation	Other Funding Sources	Total	Expended/ Contracted
<u>UNIVERSITY OF IOWA</u>				
National Advanced Driving Simulator	\$ 4,300,000	\$ 1,400,000	\$ 5,700,000	\$ 488,268
Biological Sciences Renovation Phase I	15,450,000	2,260,000	17,710,000	3,293,730
Engineering Modernization	14,340,000	12,160,000	26,500,000	2,511,873
Medical Education & Biomedical Research	27,000,000	30,335,000	57,335,000	4,534,339
Maintenance/Fire Safety	1,250,000	0	1,250,000	0
<u>IOWA STATE UNIVERSITY</u>				
Intensive Livestock Research Facilities	24,570,000	5,252,568	29,822,568	17,442,276
Engineering Teaching & Research Facility	31,900,000	29,120,962	61,020,962	2,499,506
Maintenance/Fire Safety	2,000,000	0	2,000,000	0
<u>UNIVERSITY OF NORTHERN IOWA</u>				
School of Music/Performing Arts Center	8,500,000	12,205,000	20,705,000	19,020,146
Lang Hall	12,900,000	0	12,900,000	0
Maintenance/Fire Safety	1,000,000	0	1,000,000	1,000,000
<u>IOWA SCHOOL FOR THE DEAF</u>				
Fire & Environmental Safety Improvements	50,000	0	50,000	50,000
Visual Alert System	110,000	0	110,000	0
<u>IOWA BRAILLE & SIGHT SAVING SCHOOL</u>				
Boiler Replacement & Telephone System	341,000	0	341,000	340,518
Deferred Maintenance	95,000	0	95,000	0
<u>BOARD OF REGENTS OFFICE</u>				
Lakeside Laboratory complex	140,000	0	140,000	0
Total	\$143,946,000	\$92,733,530	\$236,679,530	\$51,180,656